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The president of Northair Mines, Donald A. McLeod, says "the prospects for a reopening of the mine appear better every day." The operation is currently on a standby basis and management is now studying various measures that would cut production costs and bring an early resumption of operations.

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He feels Northair would need a minimum of \$US500 gold to reopen and tells The Northern Miner consideration is being given to selling some of its future gold production forward. Of the company's 52,000 tons of indicated reserves, which average 0.259 oz. gold, Mr. McLeod says only 50% of these are economic at current price levels. Mining only half of this reserve wouldn't raise the grade any appreciable amount, he claims. It just happens that only half of the reserve is accessible enough to justify mining. A new zone on the 2,800 level looks particularly promising and one section 115 ft. long by five ft. wide grades 0.25 oz. gold per ton. The zone is open along strike and both up and down dip.

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Consideration is also being given to custom milling material from other properties within a 100 mile radius of the mine and this might be done even if gold prices remain at present levels. Mr. McLeod would not divulge the names of the companies he's negotiating with, but admitted some of them were majors. The feed would probably come from small sulphide deposits containing gold and silver, compatible with the existing Northair mill which has a flotation circuit. "These properties could feed ore to the Northair mill and greatly improve the economics of renewed production at the Brandywine Creek operation," he predicts.

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There is also some good news about Scottie Gold Mines, reports Mr. McLeod. Northair has a 21.1% interest in Scottie. An operating profit was achieved in September and "pollution control requirements have been significantly improved with the installation of the Inco cyanide destruction process." Commenting on the problems which have reduced productivity from the mine in the past year, Mr. McLeod explained they weren't recovery problems, but more operational than anything. The mine isn't running at full bore yet as the mill rate is slightly under 200 tons per day, he adds.

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